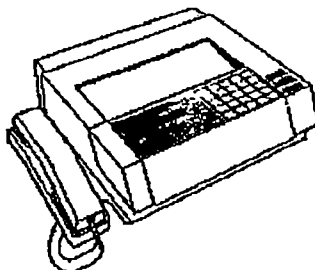


Date: 3/6/2006 10:44 AM

Sender's Fax ID: CLG Financial

Page 1 of 10



Fax

From the Desk of Nancy Calvario

Company: CLG Financial

Phone: (845) 623-3434 ext. 258

Fax: (845) 623-4332

To: Travelers Claims

Company: Travelers Insurance

Phone: () -

Fax: (877) 784-5329

Pages: 10

Date: 3/6/2006 09:39:51 AM

Subject: Insured: Town of Highland



Confidential Information in this facsimile is confidential and intended for use by the individual or entity named above.
If you received this telecopy in error, please immediately telephone us and return the original via U.S. Postal Service.

Message: Attached, please find a first notice of claim and a third-party summons.

This insured was with Travelers in the 1980's.

Please acknowledge receipt so that a complete summons may be forwarded to the appropriate office.

Thank you.

Nancy Calvario

Date: 3/6/2006 10:44 AM

Sender's Fax ID: CLG Financial

Page 2 of 10

CLG FINANCIAL CORP.

172 MAIN STREET
NANUET, NY 10954
845-623-3434
March 6, 2006

TRAVELERS CLAIM DEPARTMENT

RE: POLLUTION CLAIM

INSURED: Town Of Highlands
Policies: 650849E4409IND 01 & 02
Policy dates: 1980 - 82

Tonnesson v. Exxon Mobil Corp
Basso v. Sunoco
Tonneson v. Sunoco v. Town of Highlands



Attached, please find a portion of a third-party summons naming the insured, Town of Highlands. Complaint against insured was recently instituted.

CLG Financial is the current insurance agent for Town of Highlands. The above-noted policies were prior to our handling of the account. Please research your archives to determine if there were any other policies that will apply to this claim.

We will also forward this information to the more receive carriers, NY Municipal Insurance Reciprocal (MLP0330005) and Selective Insurance (S16725601).

PLEASE ACKNOWLEDGE RECEIPT. We will forward the complete Summon upon assignment of loss.

Thank you.

Nancy Calvario
Claim Coordinator
CLG Financial Corp.
ncalvario@clgfinancial.com

Date: 3/6/2008 10:44 AM

Sender's Fax ID: CLG Financial

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THE SARCONE LAW FIRM, PLLC
Attorneys and Counselors at Law

222 BLOOMINGDALE ROAD
WHITE PLAINS, NEW YORK 10605-1511

Telephone (914) 686-8200
Facsimile (914) 686-8988

292 Madison Avenue, 20th Floor
New York, New York 10017

John A. Sarcone, III

101 Mystic Drive
Ossining, New York 10562
(914) 260-7582

February 28, 2006

Via Facsimile (845-623-4332) & FedEx: 7908-3004-2535

Scott Liebert
CLG Financial
172 Main Street
Nanuet, New York 10954



Re: Tonneson, et al. v Sunoco, Inc, et al. v. Town of Highlands
No.: 03 CIV 8248 - Third Party Summons in a Civil Action

Dear Scott:

Enclosed please find a full copy (with Exhibits) of the above-referenced Summons for your review, which was previously faxed to you.

Please do not hesitate to call with any questions or concerns.

Very truly yours,

John A. Sarcone III
John A. Sarcone, III (w)

JAS/waw
Enclosure

cc: Duane C. Miller, Esq.
Tracey O'Reilly, Esq.

Date: 3/6/2006 10:44 AM

Sender's Fax ID: CLG Financial

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AO 441 (Rev. 5/85) Third Party Summ Civil Action - SDNY WEB 5/99

United States District Court

SOUTHERN

DISTRICT OF

NEW YORK

PLAINTIFF

Tonneson, et al.

THIRD PARTY SUMMONS IN A
CIVIL ACTION

V. DEFENDANT AND THIRD PARTY PLAINTIFF

Sunoco, Inc., et al.

CASE NUMBER: (No. 03 CIV.8248)

MDL 1358 (SAS)

Master File No. 1:00-1898

M21-88

V. THIRD PARTY DEFENDANT

The Town of Highlands, New York

To: (Name and Address of Third Party Defendant)

Town of Highlands
254 Main Street
Highland Falls, New York 10928

YOU ARE HEREBY SUMMONED and required to file with the Clerk of this court upon

PLAINTIFF'S ATTORNEY (name and address)

Peter D. Hoffman, Esq.
Law Office of Peter D. Hoffman, PC
200 Katonah Avenue
Village Commons East, 2d Floor
Katonah, NY 10536
(914) 232-2242 Phone
(914) 232-2245 FacsimileDEFENDANT AND THIRD-PARTY PLAINTIFF'S ATTORNEY
(name and address)Daniel M. Krainin, Esq.
Beveridge & Diamond, P.C.
477 Madison Avenue, 15th Floor
New York, NY 10022-5802
(212) 702-5417 Phone
(212) 702-5450 Fax

an answer to the third-party complaint which is herewith served upon you within 20 days after the service of this summons upon you exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the third-party complaint. There is also served upon you herewith a copy of the complaint of the plaintiff. You have the option of answering or not answering the plaintiff's complaint, *unless* (1) this is a case within Rule 9(h) Federal Rules of Civil Procedure, and (2) the third-party plaintiff is demanding judgment against you in favor of the original plaintiff under the circumstances described in Rule 14(c) Federal Rules of Civil Procedure, in which situation you are required to make your defenses, if any, to the claim of plaintiff as well as to the claim of the third-party plaintiff.

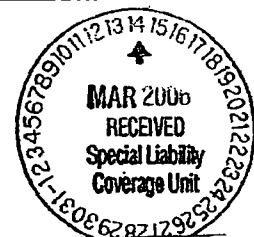
J. MICHAEL McMAHON

FEB 13 2005

CLERK

DATE

(BY) DEPUTY CLERK

T_01162
CONFIDENTIAL

Date: 3/6/2008 10:44 AM

Sender's Fax ID: CLG Financial

Page 5 of 10

AO 441 (Rev. 5/85) Third Party Summ.

Civil Action - SDNY WEB 5/00

United States District Court

SOUTHERN

DISTRICT OF

NEW YORK

PLAINTIFF

Basso, et al.

THIRD PARTY SUMMONS IN A CIVIL ACTION

V. DEFENDANT AND THIRD PARTY PLAINTIFF

Sunoco, Inc., et al.

CASE NUMBER: (No. 03 CIV.9050)

MDL 1358 (SAS)

Master File No. 1:00-1898

M2I-88

V. THIRD PARTY DEFENDANT

The Town of Highlands, New York

To: (Name and Address of Third Party Defendant)

Town of Highlands
254 Main Street
Highland Falls, New York 10928

YOU ARE HEREBY SUMMONED and required to file with the Clerk of this court upon

PLAINTIFF'S ATTORNEY (name and address)

Peter D. Hoffman, Esq.
Law Office of Peter D. Hoffman, PC
200 Katonah Avenue
Village Commons East, 2d Floor
Katonah, NY 10536
(914) 232-2242 Phone
(914) 232-2245 Facsimile

DEFENDANT AND THIRD-PARTY PLAINTIFF'S ATTORNEY
(name and address)

Daniel M. Krainin, Esq.
Beveridge & Diamond, P.C.
477 Madison Avenue, 15th Floor
New York, NY 10022-5802
(212) 702-5417 Phone
(212) 702-5450 Fax

an answer to the third-party complaint which is herewith served upon you within 20 days after the service of this summons upon you exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the third-party complaint. There is also served upon you herewith a copy of the complaint of the plaintiff. You have the option of answering or not answering the plaintiff's complaint, *unless* (1) this is a case within Rule 9(h) Federal Rules of Civil Procedure, and (2) the third-party plaintiff is demanding judgment against you in favor of the original plaintiff under the circumstances described in Rule 14(c) Federal Rules of Civil Procedure, in which situation you are required to make your defenses, if any, to the claim of plaintiff as well as to the claim of the third-party plaintiff.

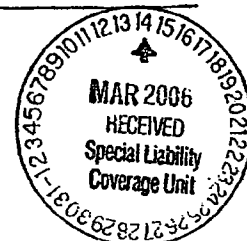
FEB 13 2008

J. MICHAEL McMAHON

CLERK

DATE

(BY) DEPUTY CLERK

T_01163
CONFIDENTIAL

Date: 3/6/2008 10:44 AM

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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

IN RE: METHYL-TERTIARY BUTYL
ETHER ("MTBE") PRODUCTS
LIABILITY LITIGATION

MDL 1358
Master File C.A. No. 1:00-1898 (SAS)
M21 - 88

This Documents Relates To:

Basso, et al. v. Sunoco, Inc., et al., No. 03 Civ. 9050;
Tonneson, et al. v. Exxon Mobil Corp., et al., No. 03 Civ. 8248

**DEFENDANTS SUNOCO, INC. AND SUNOCO, INC. (R&M)'S
THIRD-PARTY COMPLAINT AGAINST
THE TOWN OF HIGHLANDS, NEW YORK**

Now comes Defendants Sunoco, Inc., and Sunoco, Inc. (R&M) (hereinafter "Sunoco"), by and through their attorneys, pursuant to Rule 14(a) of the Federal Rules of Civil Procedure, and for their Third Party Complaint Against the Town of Highlands, New York, state as follows:

1. On or about October 17, 2003, Dave Tonneson, Hudson Highlands Realty Restorations, LTD, Donna Boyce, Anna T. Burley, Robert Gee, Edwina Gee, Denise Gibney, Pat Hannigan, Charles Hannigan, Ian Hay, Junc Hay, William J. Hubeny, Anna L. Hubeny, Theresa Stanley, John Zervas and Joanne Zervas ("Tonneson, et al.") filed suit against Sunoco and other purported manufactures, designers, refiners, formulators, distributors, suppliers, sellers, and marketers of the gasoline additive methyl tertiary butyl ether ("MTBE") and/or tert butyl alcohol ("TBA") and/or gasoline products containing MTBE and/or TBA for alleged damages resulting from environmental harm or threatened environmental harm to their groundwater or water systems from MTBE, TBA, and/or gasoline containing MTBE and/or TBA. Exhibit A.

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2. On or about November 17, 2003 a nearly identical complaint was filed by Robert Basso, M and R Market, Keith Bogardus, Sandra Bogardus, Ronald Buchholz, Joan Buchholz, Eric Buchholz, Alexander Buchholz, Dylan Buchholz, Stacy Camacho, Elizabeth Guadalupe, Louis Guadalupe, Chris DeSpirito, Tracie DeSpirito, William DeSpirito, Denise Linderman, James Linderman, John Quattrocchi, Ann Quattrocchi, John T. Quattrocchi, Damon Quattrocchi, Elaina Quattrocchi, Carin Savage, Cheryl Shrieve, Michael Shrieve, Richard Shrieve and Derrike Shrieve ("Basso, et al.") (Tonneson, et al. and Basso, et al. are hereinafter referred to collectively as, "Plaintiffs"). Exhibit B.

3. Plaintiffs allege that Sunoco and other defendants named in their complaints (hereinafter, "Defendants") caused harm or threatened harm to their groundwater or water systems by manufacturing, designing, refining, releasing, formulating, distributing, supplying, selling and/or marketing MTBE, TBA, and/or gasoline containing MTBE and/or TBA, and that Defendants are liable to Plaintiffs for the damages allegedly resulting therefrom.

4. Specifically, Plaintiffs assert claims against Sunoco and various other defendants for strict liability – design defect and/or defective product, failure to warn, negligence, public nuisance, private nuisance, trespass, declaratory relief, intentional interference with the right to appropriate, unfair competition pursuant to New York General Business Law § 349, emotional distress, and Article 12 of the New York Navigation Law.

5. Sunoco, Inc. and Sunoco, Inc. (R&M) are Pennsylvania corporations with their principal place of business at 1735 Market Street, Philadelphia, PA 19103.

6. Jurisdiction is proper in this Court pursuant to 28 U.S.C. ¶ 1367 in that the claims set forth herein are so related to the claims in Plaintiffs' Complaints that they form part of the same case or controversy.

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7. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 and Federal Rules of Civil Procedure 13 and 14.

8. Sunoco denies liability on Plaintiffs' claims and for Plaintiffs' alleged damages and incorporates by reference its operative Master Answer and Supplemental Answers to Plaintiffs' Complaints.

9. The Town of Highlands is a municipality operating under the laws of the State of New York, and maintains its principal offices at 254 Main Street, Highland Falls, New York 10928.

10. The Town of Highlands, at all times relevant to this litigation, owned and operated the Town of Highlands Highway Garage, located at 133 Firefighter Memorial Drive, in the Hamlet of Fort Montgomery, Town of Highlands, Orange County, New York (the "Highway Garage").

11. Plaintiffs are specifically seeking damages resulting from the alleged contamination of their groundwater by MTBE and/or TBA.

12. Plaintiffs' wells and the associated aquifer and/or groundwater are located near the Highway Garage.

13. On information and belief, MTBE, TBA, and/or gasoline containing MTBE and/or TBA, and/or other contaminants have been released from the underground storage tanks, piping, lines and/or equipment at the Highway Garage, or during the filling of underground storage tanks, piping, lines, equipment and/or vehicles, or during the maintenance of vehicles and/or equipment at the Highway Garage, and began to migrate underground, eventually reaching Plaintiffs' groundwater or water systems.

14. If Sunoco is found to be liable to Plaintiffs for the allegations made against it, then Sunoco is entitled to indemnification and/or contribution from the Town of Highlands.

Third-Party Claims Against the Town of Highlands

(Indemnity and Contribution)

15. At all relevant times the Town of Highlands had a duty to:

- a. safely and properly use, handle, or store petroleum products, including gasoline containing MTBE and/or TBA;
- b. safely and properly receive or accept delivery or transfer of petroleum products, including gasoline containing MTBE and/or TBA;
- c. install, remove, replace, excavate, inspect, repair, monitor, test, examine or maintain its underground storage tanks, piping, lines and equipment, so as not to allow a release of product from the underground storage tanks, piping, lines and equipment;
- d. timely, safely and properly clean up, remediate, mitigate, eliminate or control releases, spills or leaks of petroleum products, including gasoline containing MTBE and/or TBA;
- e. institute measures to prevent spills of petroleum products, including gasoline containing MTBE and/or TBA;
- f. safely and properly dispense or pump petroleum products, including gasoline containing MTBE and/or TBA into automobiles and other vehicles and equipment; or
- g. adhere to applicable laws, rules, regulations, guidelines or procedures relating to the use, handling or storage of petroleum products, including gasoline containing MTBE and/or TBA.

16. The Town of Highlands breached one or more of these duties by allowing: releases, spills or overflows of petroleum products, including gasoline containing MTBE and/or TBA from the Highway Garage; the soil and/or groundwater at the Highway Garage to become contaminated by petroleum products, including gasoline containing MTBE and/or TBA; and/or allowing petroleum products, including gasoline containing MTBE and/or TBA, to reach Plaintiffs' groundwater and/or water systems.

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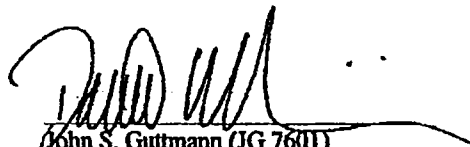
17. As a direct and proximate result of the Town of Highlands' actions and inaction, the Town of Highlands either caused or contributed to the alleged harm or threatened harm to Plaintiffs' groundwater or water systems and any and all resulting damages to Plaintiffs as alleged in their Complaints, and thus, the Town of Highlands is liable to Sunoco for all or part of Plaintiffs' claims against Sunoco.

18. To the extent that Sunoco is found liable to Plaintiffs in any way, Sunoco is entitled to indemnity or contribution from the Town of Highlands pursuant to New York law.

19. In the event that the Town of Highlands is found not to have been wholly responsible for any Plaintiff's loss or damage, the relative culpability of the Town of Highlands must be compared by the trier of fact in this matter in its assessment of the relative fault for Plaintiffs' injuries, if any.

WHEREFORE, Sunoco respectfully requests that to the extent it is held liable for damages to Plaintiffs, that the Town of Highlands be held liable for all or part of any damages that may otherwise be ordered against Sunoco and in favor of Plaintiffs.

Dated: February 16, 2006



John S. Guttman (JG 7601)
Daniel M. Krainin (DK 1128)
BEVERIDGE & DIAMOND, P.C.
477 Madison Avenue, 15th Floor
New York, NY 10022
(212) 702-5400

Attorneys for Defendants Sunoco, Inc. and Sunoco, Inc. (R&M)